

**MINUTES
OF THE
STATE TRANSPORTATION BOARD MEETING
9:00 A.M., Friday, May 9, 2003
City of Kingman Council Chambers
310 North 4th Street
Kingman, Arizona 86401**

The State Transportation Board met in official session for a regular meeting at 9:00 a.m., Friday, May 9, 2003, with Chairperson Radicke presiding. Other Board members present included: Vice Chairperson Bill Jeffers, Rusty Gant, Dick Hileman, Joe Lane, and Jim Martin. Si Schorr was absent. Also present were Director Victor Mendez; Debra Brisk, Deputy Director; Bill Higgins, Acting State Engineer; John McGee, Chief Financial Officer, Administrative Services Division; and Dale Buskirk, Director, Planning Division. There were approximately 50 people in the audience.

OPENING REMARKS AND PLEDGE

Chairperson Radicke led the audience in the Pledge of Allegiance. He thanked the City of Kingman for their hospitality and introduced dignitaries in the audience.

DISTRICT ENGINEER REPORT

Sam Elters, District Engineer for Kingman, updated the Board on the status of current construction projects and issues of regional significance. He stated the Arizona approach of the Hoover Dam Bypass is currently under construction and the interim alignment is scheduled for completion in October 2003. He stated they are currently doing a design concept report and environmental assessment document for a widening project at Mileposts 2 through 17, explaining, with completion of the Hoover Dam Bypass in FY 2007, the bottleneck is expected to shift to this location. He reported four new call boxes have been installed on US 93 in areas where cellular coverage is limited, noting the call boxes were obtained through a grant from the Health Department. He explained 108 miles of US 93 are broken into three separate segments, Wickieup to Santa Maria, I-40 to Wickieup, and Santa Maria to Wickenburg. He noted the Santa Maria to Wickenburg segment is currently in the design concept report stage and is scheduled for completion at the end of this year. He stated the Wickieup to Santa Maria consists of nine projects, five of which have been completed. He said the 34 mile segment from I-40 to Wickieup is broken into 13 projects, of which, three are funded for design, one is funded for construction and one is in the tentative Five Year Program. He stated US 93 south is almost entirely on federal land and they have established a good working relationship with the Bureau of Land Management. With regard to US 95, Mr. Elters said they are currently working on a realignment feasibility study from I-40 to SR 68. He stated two signal projects in the Bullhead

City area are currently underway and they are scheduled for a third signal project in FY 2004. He said they continue working on signal coordination with the city. He reported a construction project in Lake Havasu City is expected to be completed by Summer 2004. He noted a passing lane project north of Lake Havasu City was recently completed, and two other passing lane projects south of the city are scheduled in FY 2007. In terms of I-40, Mr. Elters stated a pavement preservation project and two climbing lane projects are currently underway. He stated the Beverly and Mohave Wash project will be turned back to the City of Kingman once completed. He noted they recently completed a widening project along SR 66. He said the district is also involved in several access management studies, including one on US 93 that will assist in future planning efforts to preserve access points and through-traffic on the highway and a second on US 95 that will ensure safe and efficient access to the highway. Mr. Elters stated the district has seven variable message boards, which are used extensively, and four rural road information systems. He said they are also evaluating a highway advisory radio system for use on US 93. He reported SR 68, which was completed one year ago, has been working great and they have received a lot of positive feedback.

CALL TO AUDIENCE

Dave Barber, Deputy Director, Western Arizona Council of Governments, discussed his concerns with the State Transportation Improvement Program, including the congestion expected to occur between Mileposts 2 and 17 upon completion of the Hoover Dam bypass and the lack of projects scheduled for the 15 mile portion of highway 93 between I-40 and Wickieup. He also expressed his appreciation for improvements made to SR 68, between Kingman and Bullhead City and on Highway 95 in Lake Havasu City. A written copy of his comments was submitted for the record.

Representative Joe Hart echoed Mr. Barber's comments. He also thanked the Board for their interest in his area of the state, acknowledging the difficult budget situation faced by the state.

CONSENT AGENDA

Item 42 was taken off the Consent Agenda.

Director's Report

Mr. Mendez presented a Five Year Service Award to Chairman Radicke in recognition of his service to the state.

Mr. Mendez spoke about the TEA-21 Reauthorization Summit, which will occur May 28, 2003. He explained the point of the summit is to try to reach consensus on reauthorization priorities and principles. He said, while he does not believe they will ever reach statewide consensus on project level issues, they hope to achieve a single voice with regard to principles and priorities when speaking with the congressional delegation.

Mr. Mendez stated they are keeping very close track of budget issues as the state budget discussions unfold. He said ADOT has started to see some service reductions, particularly with regard to aeronautics.

Mr. Mendez announced Dale Buskirk has been hired as Transportation Planning Director.

PROJECT:	Lake Havasu Airport
SPONSOR:	Lake Havasu City
CATEGORY:	Commercial
SCHEDULE:	New Project Request
PROJECT #:	E3F84
PROGRAM AMOUNT:	\$678,478
TYPE OF WORK:	Establish air service marketing and subsidy program
REQUESTED ACTION:	Project to be funded in conjunction with the USDOT's pilot program to aid small community's development of air service
FUNDING SOURCES	
	FAA \$403,478
	Sponsor \$75,000
	State \$200,000
	<i>Total Program</i> \$678,478

Board Action: A motion to approve the above recommendation was made by Mr. Hileman and seconded by Mr. Gant.

In response to Mr. Martin's question, Mr. Adams confirmed there are no written specifics as to Mesa Airlines' flight schedule or airfares.

Ted Swendra, Airport Manager, Lake Havasu City, explained the fares and schedules are locked in only for 30 days after the start of the agreement to allow for flexibility in the future. He noted Mesa Airlines is not allowed to change its fares or schedule without approval from the city. He clarified for Mr. Martin that freight was not included in the cash flow, explaining very little freight is carried on a regular basis. He pointed out their contract requires Mesa Airlines to submit a performance report on a regular basis and gives the city the authority to cancel the contract if performance problems occur.

Upon a call for the question, the motion passed unanimously

Mr. Hileman spoke about the need for reasonably priced air service in rural parts of the state. He said return of the Flight Property tax will also benefit rural airports.

Legislative Report

Kevin Biesty updated the Board on the status of state and federal legislative issues. A written copy of his report was submitted for the record.

Mr. Mendez stated that, although SB 1218 exempts highway projects, ADOT strives to be dark skies friendly and some of the light the department implements will be affected by the bill. Mr. Biesty noted the observatory characterized ADOT as a leader in lighting freeways in ways that protect the dark skies.

Financial Report

John McGee reviewed the preliminary HURF results, stating it appears collections are on track for the month of April. He estimated collections for the month to total \$99.9 million, compared to a forecast of \$99.7 million. He said year-to-date RARF collections total \$199.9 million, which is about 0.3 percent above last year's collections of \$199.4 million and two percent under the forecast of \$203.9 million. He noted the only categories running ahead of forecast are Restaurant & Bar and Rental of Real Property.

Mr. McGee discussed the April HELP Cash Status Report, stating the cash balance as of April 30 was \$115.5 million. He explained the balance increase reflects approximately \$5.6 million in loan draws offset by \$5.8 million in loan repayments and \$200,000 in interest earnings.

Financing Program

John McGee reported they were able to successfully price a \$185,055,000 HURF bond deal on April 22, noting the true interest cost came in at 3.96 percent. He referenced the final write up by Standard & Poor's, reaffirming the department's AAA rating, noting it commends the Department on the way it manages its financial programs. Copies of the Final Official Statement and Final Pricing Review were distributed to the Board members.

In response to Mr. Mendez's comments, Mr. McGee said both Standard & Poor's and Moody's are aware of the budget situation and continuing proposals to fund DPS off the top of HURF. He said, however, both rating agencies have reaffirmed the department's ratings based on the understanding that the diversion would be done on a one time basis and that the department's coverage levels on senior lien bonds would continue to be met. He noted the department was able to maintain its "stable" outlook thanks, in large part, to Mr. Freund's efforts. He said they do not anticipate a downgrade in ratings at this time, however, if the amount diverted is ultimately higher or if the diversion occurs more than once, the ratings could be negatively impacted.

Mr. McGee assured the Board that none of the bonds issued in the past or expected to be issued next year will be used to pay for day-to-day operations. He said all bonds issued go towards

capital improvements in the Five Year Program. Mr. Mendez asked the Board members to reinforce that message.

Mr. Freund agreed, in all likelihood, the department's rating would be downgraded if the diversion was done on a permanent basis. He reviewed details of the HURF Bond Series 2003 Final Pricing Review.

Representative Hart cautioned that the department's bond rating could be negatively impacted by the bill addressed last week that would provide \$400 million to universities for research facilities. Mr. Freund stated that particular legislation should not affect the department's ratings or the state's ratings because it will be viewed as debt of the universities. Representative Hart pointed out the state co-signed the loan.

Mr. McGee reported the bond issue will close May 22 rather than May 8 as originally planned. He explained the delayed closing will save the department approximately \$100,000.

Mr. McGee stated, last month, the Board approved a resolution for a GAN issue that will support the MAG acceleration program. He stated the issue will likely be divided into two pieces: a new money issue this summer totaling approximately \$80-125 million and, possibly, an additional \$26 million in refunding; and a second piece issued later this fall.

The meeting recessed for a short break.

***MINUTES**

Study Session Minutes: February 6, 2003

Board Meeting Minutes: February 21, 2003

Board Meeting Minutes: March 21, 2003

Special Telephonic Board Meeting Minutes: April 1, 2003

***2003 BOARD MEETING DATES & LOCATIONS**

May 9, 2003	Kingman	9:00 a.m.
June 20, 2003	Douglas	9:00 a.m.
July 18, 2003	Show Low	9:00 a.m.
August 15, 2003	Page	9:00 a.m.
September 19, 2003	Holbrook	9:00 a.m.
October 17, 2003	Wickenburg	9:00 a.m.
November 21, 2003	Parker	9:00 a.m.
December 19, 2003	Globe	9:00 a.m.

PRIORITY PLANNING ADVISORY COMMITTEE (PPAC)

(Information, Discussion, Action as required)

FY 2003 - 2007 Transportation Facilities Construction Program Requested Modifications

COUNTY: Statewide
SCHEDULE: FY 2003
SECTION: Statewide Risk Management
TYPE OF WORK: Risk management indemnification
PROGRAM AMOUNT: \$3,000,000
PROJECT MANAGER: John Klein
PROJECT: Item Number; 75503
REQUESTED ACTION: Transfer all the sub program funds, in amount of \$3,000,000, to the Highway Contingency #72303

Board Action: A motion to approve the above recommendation was made by Mr. Gant, seconded by Mr. Hileman and passed unanimously.

COUNTY: Statewide
SCHEDULE: FY 2003 New Project Request
SECTION: Rural ITS
TYPE OF WORK: Design /Construct rural VMS
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Marian Thompson / Carl Burkhalter
PROJECT: H517408D
REQUESTED ACTION: Add a new Rural ITS project in the amount of \$1,250,000 to the FY 2003 Highway Construction Program.

See funding sources below.

FY 2003 Rural ITS Preservation Fund #78803	\$500,000
FY 2003 Rural ITS Design /Construction Fund #76603	\$750,000
NEW PROGRAM AMOUNT:	\$1,250,000

Board Action: A motion to approve the above recommendation was made by Mr. Jeffers, seconded by Mr. Hileman and passed unanimously.

COUNTY: Maricopa
SCHEDULE: FY 2003
SECTION: MAG Regional Freeways
TYPE OF WORK: Construct ramp metering

PROGRAM AMOUNT: \$500,000
PROJECT MANAGER: Marian Thompson
PROJECT: H595602C Item Number; 29503
REQUESTED ACTION: Defer ramp metering construction project from FY 2003 to FY 2004. Project will not be ready to advertise in FY 2003.

Board Action: A motion to approve the above recommendation was made by Mr. Gant, seconded by Mr. Lane and passed unanimously.

ROUTE NO: SR 179 @ MP 304.50
COUNTY: Yavapai
SCHEDULE: FY 2003
SECTION: Village of Oak Creek – North Forest Boundry
TYPE OF WORK: Utility relocation
PROGRAM AMOUNT: \$400,000 Funding Source: State
PROJECT MANAGER: Jennifer Livingston
PROJECT: Item Number; 25501
REQUESTED ACTION: Defer utility relocation project from FY 2003 to FY 2005 to allow for review SR 179 needs based project development.

ROUTE NO: SR 179 @ MP 310.00
COUNTY: Coconino
SCHEDULE: FY 2006
SECTION: North Forest Boundry – Sedona
TYPE OF WORK: Utility relocation
PROGRAM AMOUNT: \$1,100,000 Funding Source: State
PROJECT MANAGER: Jennifer Livingston
PROJECT: Item Number; 15106
REQUESTED ACTION: Advance utility relocation project from FY 2006 to FY 2005 to allow for review SR 179 needs based project development.

Board Action: A motion to approve Items 12 and 13 was made by Mr. Jeffers, seconded by Mr. Lane and passed unanimously.

ROUTE NO: SR 87 @ MP 301.25
COUNTY: Coconino
SCHEDULE: FY 2003 New Project Request
SECTION: Clear Creek Pine, Unit 4, 5 & 6
TYPE OF WORK: Intersection Improvement

PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Kee T. Yazzie/ Jennifer Livingston
PROJECT: H609101C JPA 02-017
REQUESTED ACTION: Add a new district minor project in the amount of \$43,000 to the FY 2003 Highway Construction Program. **Funds available from the FY 2003 District Minor # 73303**
NEW PROGRAM AMOUNT: \$43,000

Board Action: A motion to approve the above recommendation was made by Mr. Jeffers, seconded by Mr. Lane and passed unanimously.

ROUTE NO: US 93 @ MP 91.40
COUNTY: Mohave
SCHEDULE: FY 2004
SECTION: Round Valley - Wheeler Wash
TYPE OF WORK: Pavement preservation
PROGRAM AMOUNT: \$2,962,000
PROJECT MANAGER: Don Gorman
PROJECT: H585401C Item Number; 18704
REQUESTED ACTION: Delete project from the FY 2004 Highway Construction Program. Project will be combined with the US 93 SB Kabba Wash / SB Wheeler Wash roadway Construction project. **Return Funds to the FY 2004 Pavement Preservation Fund #72504**

ROUTE NO: US 93 @ MP 96
COUNTY: Mohave
SCHEDULE: FY 2005
SECTION: SB Kabba Wash / SB Wheeler Wash

TYPE OF WORK: Construct parallel roadway
PROGRAM AMOUNT: \$21,700,000 Funding Source: NH
PROJECT MANAGER: Larry Doescher
PROJECT: H592401C Item Number; 15505
REQUESTED ACTION: Increase program amount by \$5,074,000 to \$26,774,000 due to scope addition of pavement preservation on the existing roadway.
See funding sources below.

PROGRAM AMOUNT: \$21,700,000
INCREASE AMOUNT: \$5,074,000
FY 2005 Title II Safety Fund #72805 \$902,000
FY 2005 Pavement Preservation Fund #72505 \$4,172,000
NEW PROGRAM AMOUNT: \$26,774,000

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Jeffers and passed unanimously.

ROUTE NO: US 93 @ MP 125
COUNTY: Mohave
SCHEDULE: FY 2003
SECTION: Pliocene Cliffs & Big Sandy Section
TYPE OF WORK: Construct roadway
PROGRAM AMOUNT: \$19,100,000 Funding Source: NH
PROJECT MANAGER: Larry Doescher
PROJECT: H534801C Item Number; 11102
REQUESTED ACTION: Reduce program amount by \$1,000,000 to \$18,100,000 due updated quantities and unit cost. Project funds are available for scope modification for addition of pavement improvements on the existing roadway. **Funds return to the FY 2003 Highway Contingency Fund #72303.**
NEW PROGRAM AMOUNT: \$18,100,000

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Jeffers and passed unanimously.

ROUTE NO: I-19 @ MP 17.00
COUNTY: Santa Cruz
SCHEDULE: FY 2005 New Project Request
SECTION: Arroyo Angulo Agudo Bridge NB/SB #1735, 1736
TYPE OF WORK: Construct scour retrofit
PROGRAM AMOUNT: New Project Request

PROJECT MANAGER: Itty P. Itty
PROJECT: H632601C
REQUESTED ACTION: Add a new bridge scour retrofit project in the amount of \$300,000 to the FY 2005 Highway Construction Program. **Funds from FY 2004 Bridge Scour Retrofit Fund #71504.**
NEW PROGRAM AMOUNT: \$300,000

Board Action: A motion to approve the above recommendation was made by Mr. Martin, seconded by Mr. Gant and passed unanimously.

ROUTE NO: SR 88, Arizona State Park
COUNTY: Pinal
SCHEDULE: FY 2004
SECTION: Lost Dutchman State Park
TYPE OF WORK: Construct campground and parking
PROGRAM AMOUNT: \$900,000 Funding Source: State
PROJECT MANAGER: David Mellgren
PROJECT: H596001C Item Number; 11901
REQUESTED ACTION: Advance from FY 2004 to FY 2003 in order to complete roadway sealing before the end of the chip sealing window on November 15, 2003.
PROGRAM AMOUNT: \$900,000

Board Action: A motion to approve the above recommendation was made by Mr. Martin, seconded by Mr. Gant and passed unanimously.

ROUTE NO: SR 101L & SR 51
COUNTY: Maricopa
SCHEDULE: FY 2003 New Project Request
SECTIONS: SR 101, Union Hills Dr. - 31st Ave;
SR 101L, 21st Ave - Tatum Blvd.;
SR 101L, Frank Lloyd Wright Blvd - Mt. View Rd.;

TYPE OF WORK:	SR 51, Shea Blvd - Bell Rd.
PROGRAM AMOUNT:	ARFC, Quiet Pavement Phase I
PROJECT MANAGER:	New Project Request
PROJECT:	Richard DeBoer
REQUESTED ACTION:	H637101C
	Add a new overlay project in the amount of \$7,000,000 to the FY 2003 Highway Construction Program. FY 2003 CMAQ funds in the amount of \$5,500,000 to be exchanged with SR 51 Design Build project funds.
	FY 2003 CMAQ Exchange Funds \$5,500,000
	City of Phoenix JPA 03-031 (Repay in FY 2004) \$1,300,000
	City of Scottsdale JPA 03-030 (Repay in FY 2006) \$200,000
NEW PROGRAM AMOUNT:	\$7,000,000

Board Action: A motion to approve the above recommendation was made by Mr. Jeffers, seconded by Mr. Gant and passed unanimously.

ROUTE NO:	SR 101 L @ MP 33.00
COUNTY:	Maricopa
SCHEDULE:	FY 2003 New Project Request
SECTION:	64th Street TI
TYPE OF WORK:	Design Concept Study / Environmental Assessment
PROGRAM AMOUNT:	New Project Request
PROJECT MANAGER:	Ron McCally
PROJECT:	H624001L
REQUESTED ACTION:	Add a new pre-design project for a Design Concept Study and Environmental Determination for a new traffic interchange in the amount of \$380,000 to the FY 2003 Highway Construction Program. City of Phoenix is to fund all cost associated with the preparation of the predesign efforts per JPA 02-59.
NEW PROGRAM AMOUNT:	\$380,000

Board Action: A motion to approve the above recommendation was made by Mr. Lane, seconded by Mr. Gant and passed unanimously.

ROUTE NO:	I-17 @ MP 218.00
COUNTY:	Maricopa
SCHEDULE:	FY 2003 New Project Request
SECTION:	Jomax Road TI
TYPE OF WORK:	Design Concept Study / Environmental Assessment
PROGRAM AMOUNT:	New Project Request
PROJECT MANAGER:	Paul O'Brien
PROJECT:	H617801L

REQUESTED ACTION: Add a new pre-design project for a Design Concept Study for a new traffic interchange in the amount of \$588,000 to the FY 2003 Highway Construction Program. **City of Phoenix to fund the Design Concept study per JPA 02-073.**

NEW PROGRAM AMOUNT: \$588,000

Board Action: A motion to approve the above recommendation was made by Mr. Gant, seconded by Mr. Lane and passed unanimously.

ROUTE NO: SR 101 L @ MP 55.30
COUNTY: Maricopa
SCHEDULE: FY 2003 New Project Request
SECTION: Baseline Road - Guadalupe Road.
TYPE OF WORK: Construct noise mitigation walls
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Joe Warren
REQUESTED ACTION: Add a new construction project to construct noise mitigation walls in the amount of \$500,000 to the FY 2003 Highway Construction Program. **Funds available from RARF cashflow.**

NEW PROGRAM AMOUNT: \$500,000

Board Action: A motion to approve the above recommendation was made by Mr. Lane, seconded by Mr. Gant and passed unanimously.

ROUTE NO: SR 202 L @ MP 13.50
COUNTY: Maricopa
SCHEDULE: FY 2003 New Project Request
SECTION: Country Club Drive - Gilbert Road
TYPE OF WORK: Construct noise mitigation / screen walls
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Joe Warren
REQUESTED ACTION: Add a new construction project to construct noise

mitigation / screen walls in the amount of \$2,600,000 to the FY 2003 Highway Construction Program.

See funding sources below.

Maricopa County per JPA 03-024	\$1,700,000
RARF Cashflow	\$900,000
NEW PROGRAM AMOUNT:	\$2,600,000

Board Action: A motion to approve the above recommendation was made by Mr. Lane, seconded by Mr. Gant and passed unanimously.

ROUTE NO:	I-10 @ MP 2.00
COUNTY:	La Paz
SCHEDULE:	FY 2003
SECTION:	Ehrenberg Port of Entry - West Quartzsite
TYPE OF WORK:	Pavement preservation with passing lane AC
PROGRAM AMOUNT:	\$11,775,000 Funding Source: IM
PROJECT MANAGER:	James Reeves
PROJECT:	H601401C Item Number; 23203
REQUESTED ACTION:	Increase program amount by \$1,020,000 to \$12,795,000 due scope change to modify EB roadway slope. Funds available from FY 2003 Highway Contingency Fund #72303.
PROGRAM AMOUNT:	\$11,775,000
INCREASE AMOUNT:	\$1,020,000
NEW PROGRAM AMOUNT:	\$12,795,000

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Jeffers and passed unanimously.

ROUTE NO:	SR 264 @ MP 465.00
COUNTY:	Apache
SCHEDULE:	FY 2003
SECTION:	Summit - Navajo Forest Boundary
TYPE OF WORK:	AR ACFC Pavement overlay
PROGRAM AMOUNT:	\$1,123,000
PROJECT MANAGER:	James Reeves
PROJECT:	H428202C Item Number; 24103
REQUESTED ACTION:	Increase program amount by \$2,312,000 to \$3,435,000 due to updated unit cost, quantities, and longer material hauls. Funds from FY 2003

Highway Contingency Fund #72303.

PROGRAM AMOUNT:	\$1,123,000
INCREASE AMOUNT:	\$2,312,000
NEW PROGRAM AMOUNT:	\$3,435,000

Board Action: A motion to approve the above recommendation was made by Mr. Jeffers, seconded by Mr. Gant and passed unanimously.

ROUTE NO:	SR 264 @ MP 471
COUNTY:	Apache
SCHEDULE:	FY 2003
SECTION:	Navajo Forest Boundry - New Mexico State Line (Window Rock)
TYPE OF WORK:	AR ACFC Pavement overlay
PROGRAM AMOUNT:	\$462,000
PROJECT MANAGER:	James Reeves
PROJECT:	H390502C Item Number; 29103
REQUESTED ACTION:	Increase program amount by \$418,000 to \$880,000 due to updated unit cost, quantities, and longer material hauls. Funds from Pavement Preservation Fund #72503.
PROGRAM AMOUNT:	\$462,000
INCREASE AMOUNT:	\$418,000
NEW PROGRAM AMOUNT:	\$880,000

Board Action: A motion to approve the above recommendation was made by Mr. Jeffers, seconded by Mr. Hileman and passed unanimously.

ROUTE NO:	US 60 @ MP 341.00
COUNTY:	Navajo
SCHEDULE:	FY 2004 New Project Request
SECTION:	US 60 / SR 260 Intersection
TYPE OF WORK:	Construct intersection improvements
PROGRAM AMOUNT:	New Project Request
PROJECT MANAGER:	Orlando Jerez
PROJECT:	H531301C
REQUESTED ACTION:	Add a new intersection improvements project in the amount of \$362,000 to the FY 2004 Highway Construction Program.

See funding sources below.

FY 2003 Traffic Engineering Fund #71203	\$100,000
FY 2003 District Minor Fund #73303	\$262,000
NEW PROGRAM AMOUNT:	\$362,000

Board Action: A motion to approve the above recommendation was made by Mr. Jeffers, seconded by Mr. Hileman and passed unanimously.

ROUTE NO: SR 387 @ MP 6.00
COUNTY: Pinal
SCHEDULE: FY 2003
SECTION: Val Vista - I-10
TYPE OF WORK: Construct roadway widening
PROGRAM AMOUNT: \$2,600,000 Funding Source: STP
PROJECT MANAGER: Orlando Jerez
PROJECT: H436701C Item Number; 12903
REQUESTED ACTION: Increase program amount by \$2,523,017 to \$5,123,017 due to updated quantities, unit cost and scope modification to include intersection improvements.

See funding sources below.

PROGRAM AMOUNT:	\$2,600,000
INCREASE AMOUNT:	\$2,523,017
City of Casa Grande per JPA 02-200	\$82,729
Pinal County per JPA 02-200	\$110,058
FY 2003 Traffic Engineering Fund #71203	\$150,000
FY 2003 Highway Contingency Fund #72303	\$2,180,230
NEW PROGRAM AMOUNT:	\$5,123,017

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Lane and passed unanimously.

ROUTE NO: SR 86 @ MP 148.30
COUNTY: Pima
SCHEDULE: FY 2003
SECTION: Brawley Wash - 7.5 Miles West
TYPE OF WORK: Design roadway reconstruction
PROGRAM AMOUNT: \$700,000
PROJECT MANAGER: Bruce Purrier
PROJECT: Item Number; 27902
REQUESTED ACTION: Defer project from FY 2003 to FY 2004 to allow for completion of SR 86 Feasibility Study.

ROUTE NO: SR 86 @ MP 148.30
COUNTY: Pima
SCHEDULE: FY 2004
SECTION: Brawley Wash - 7.5 Miles West
TYPE OF WORK: Reconstruct roadway
PROGRAM AMOUNT: \$4,029,000
PROJECT MANAGER: Bruce Purrier
PROJECT: Item Number; 16604
REQUESTED ACTION: Defer from FY 2004 to FY 2005 to allow for completion of SR 86 Feasibility Study.

Board Action: A motion to approve Items 30 and 31 was made by Mr. Hileman, seconded by Mr. Jeffers and passed unanimously.

ROUTE NO: SR 79 @ MP 100.00
COUNTY: Pinal
SCHEDULE: FY 2003 New Project Request
SECTION: MP 100.9, 105.8, 106.1 & 106.4
TYPE OF WORK: Extend box culverts
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Bruce Purrier
PROJECT: H561401C
REQUESTED ACTION: Add a new safety project in the amount of \$803,976 to the FY 2003 Highway Construction Program to extend box culverts. **Funds available from Title II Safety #72803.**
NEW PROGRAM AMOUNT: \$803,976

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Gant and passed unanimously.

ROUTE NO: SR 79 @ MP 113.00
COUNTY: Pinal
SCHEDULE: FY 2003 New Project Request
SECTION: MP 113.32 - 119.74
TYPE OF WORK: Rehabilitate and extend drainage pipes
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Bruce Purrier
PROJECT: H598601C
REQUESTED ACTION: Add a new safety / district minor project in the amount of \$250,000 to the FY 2003 Highway Construction Program for safety and drainage improvements.
See funding sources below.

FY 2003 Title II Safety Fund #72803	\$143,743
FY 2003 District Minor fund #73303	\$106,257

NEW PROGRAM AMOUNT: \$250,000

Board Action: A motion to approve the above recommendation was made by Mr. Gant, seconded by Mr. Jeffers and passed unanimously.

ROUTE NO: SR 85 @ MP 32.00
COUNTY: Pima
SCHEDULE: FY 2003 New Project Request
SECTION: Rio Cornez Wash Bridge
TYPE OF WORK: Replace bridge barrier and add approach guardrail
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Bruce Purrier
PROJECT: H561501C
REQUESTED ACTION: Add a new district minor project in the amount of \$215,000 to the FY 2003 Highway Construction Program. **Funds available from the FY 2003 District Minor #73303.**

NEW PROGRAM AMOUNT: \$215,000

Board Action: A motion to approve the above recommendation was made by Mr. Gant, seconded by Mr. Lane and passed unanimously.

ROUTE NO: I-10 @ MP 172
COUNTY: Pinal
SCHEDULE: FY 2004 New Project Request
SECTION: Riggs Road – Picacho Peak
TYPE OF WORK: Sign Rehabilitation
PROGRAM AMOUNT: New Project Request
PROJECT MANAGER: Curt Litin
REQUESTED ACTION: Add a new sign rehabilitation project in the amount of \$2,500,000 to the FY 2004 Highway Construction Program.

See funding sources below.

FY 2003 Highway Contingency Fund #72303	\$1,500,000
FY 2004 Sign Rehabilitation Fund #78304	\$1,000,000
NEW PROGRAM AMOUNT:	\$2,500,000

Board Action: A motion to approve the above recommendation was made by Mr. Gant, seconded by Mr. Lane and passed unanimously.

- * Priority Planning Advisory Committee (PPAC)
 - Minutes – April 3, 2003
 - Highway Program Monitoring Report.
- * Next regular scheduled meetings of the Priority Planning Advisory Committee (PPAC). Times of meetings vary and will be announced at time of agenda distribution.
 - June 5, 2003
 - July 3, 2003 (Tentative)
 - July 31, 2003
 - September 4, 2003
 - October 2, 2003
 - November 6, 2003
 - December 4, 2003Dates subject to change

RIGHT OF WAY RESOLUTIONS

- *

RES. NO:	2003-05-A-021
PROJECT:	S 089-A-702 / 089YV258H571701R
HIGHWAY:	WICKENBURG - PRESCOTT
SECTION:	Jct. S.R. 71 – Jct. U.S. 93
ROUTE NO.:	State Route 89
ENG. DIST:	P
COUNTY:	Yavapai
RECOMMENDATION:	Establish additional right of way for culvert extensions and flattening slopes
- *

RES. NO:	2003-05-A-022
PROJECT:	S 077-A-801 / 077PM069H615901R
HIGHWAY:	TUCSON-ORACLE JCT.-GLOBE
SECTION:	Miracle Mile Rd. – Prince Rd.
ROUTE NO.:	State Route 77
ENG. DIST:	T
COUNTY:	Pima

RECOMMENDATION: Establish additional right of way for improvements and enhancements of curbs, gutter sidewalks and ADA ramps

- * RES. NO: 2003-05-A-023
PROJECT: S-077-B-700 / 077NA361HX13702R
HIGHWAY: SHOW LOW-HOLBROOK
SECTION: Junction S.R. 77 & S.R. 277
ROUTE NO.: State Route 77
ENG. DIST: G
COUNTY: Navajo
RECOMMENDATION: Amend Resolution 2003-01-A-003 dated 01-17-03 due to design change
- * RES. NO: 2003-05-A-024
PROJECT: 060NA341H531301R
HIGHWAY: GLOBE – SHOW LOW
SECTION: East Junction S.R. 260 (White Mountain Road)
ROUTE NO.: U.S. Route 60
ENG. DIST: G
COUNTY: Navajo
RECOMMENDATION: Establish additional right of way for signal upgrade and signing

RES. NO: 2003-05-A-025
PROJECT: 600-8-804 / 202LMA000H540101R
HIGHWAY: RED MOUNTAIN FREEWAY
SECTION: Higley Rd. – U.S. 60 (Power Road)
ROUTE NO.: State Route 202 Loop
ENG. DIST: M
COUNTY: Maricopa
RECOMMENDATION: Establish a portion of the corridor as a controlled access state highway

Mr. Mendez explained the project has been programmed for a number of years, however, prior to last month's meeting, he received a letter from Mayor Hawker requesting that the Department delay action on the project for one month. He said he agreed to the delay since the Board's agenda had not yet been published. He stated, at the last minute, Mayor Hawker again asked that the project be tabled for one month, however, the Board's agenda for this month had already been published therefore there was nothing he could do. He said, therefore, staff communicated back to the Mayor asking that he send a letter requesting a one month delay and recognizing what the impacts of the delay would be to the schedule. He stated ADOT staff has indicated another month's delay would begin impacting delivery of the freeway. He reported receiving a letter from the City of Mesa's Assistant City Attorney, George

Mariscal, indicating ADOT staff reneged on some of its assurances. He said he takes exception to Mr. Mariscal's accusation, stating ADOT did not renege on its commitments. He explained the City of Mesa acquired the property through donations from developers specifically for transportation purposes. He stated the City of Mesa now appears to be offering the property through resolution, so long as ADOT agrees to certain conditions. He explained they are requesting additional noise walls and enhanced aesthetics, as well as prior rights for utilities. He said, in his opinion, ADOT should not agree to any of the conditions as written. He said the letter implies ADOT does not have the right to acquire the property by resolution, however, ADOT staff is confident it could.

Ron ____ noted Mr. Mariscal used to work in the Transportation Section of the Arizona Office of the Attorney General. He stated there is one appellate decision in Arizona, known as the El Paso Case, that specifically states any public rights-of-way held by cities or counties in the State of Arizona, are held in trust for the state. He said, therefore, all ADOT has to do to acquire the land is pass a resolution stating it will become a controlled access state highway. With respect to prior rights of the to-be-installed utilities, he said granting prior rights would probably be an unconstitutional gift.

In response to Mr. Jeffers' question, Mr. Mendez clarified the resolution, as stated, allows the department to proceed with the acquisition, however, the conditions, if any, that they agree to are up to ADOT.

Mr. Mendez assured the Board that they have tried to resolve the issue. He stated the Board has three options: 1) to vote on the resolution as stated, allowing the department to move forward; 2) to table the matter until the issue is resolved; or 3) to make the resolution effective fifteen days from the date of approval, allowing the Department and the City of Mesa two weeks to reach an agreement.

Chairperson Radicke asked if the issue could be resolved within two weeks. Mr. Mendez expressed his opinion it will be difficult to resolve the issues to both parties' mutual satisfaction.

Mr. Jeffers voiced his opinion the Board should approve the resolution, allowing the Department to proceed.

Mr. Hileman agreed.

Mr. Gant said he would not have a problem waiting two weeks. Mr. Mendez said staff is concerned that any delay at this point will affect delivery of the freeway system.

Chairperson Radicke asked how much money will the state lose on a daily basis if it does not move forward with the project. Mr. Mendez was unable to say, explaining coordinating utility relations with cities and private entities can be very complex. He said they have made commitments to private entities who will likely be effected to some degree if there are any delays. Chairperson Radicke expressed his opinion they should make the resolution effective in 15 days, explaining it would provide one last opportunity to reach an agreement, but still ensure that the Department will be able to proceed. Mr. Mendez reiterated staff has tried in earnest to resolve the issues, but to no avail.

Board Action: A motion to make the resolution effective 15 days from today's date was made by Mr. Lane, seconded by Mr. Gant and passed unanimously.

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RES. NO:	02003-05-A-026
PROJECT:	I-040-A-800 / 040MO052H551901R
HIGHWAY:	TOPOCK - KINGMAN
SECTION:	Mohave Wash Pathway
ROUTE NO.:	Interstate Route 40
ENG. DIST:	K
COUNTY:	Mohave
RECOMMENDATION:	Establish additional right way to construct a multi-use pathway along the Mohave West Channel

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RES. NO:	2003-05-A-027
PROJECT:	NH-10-4(141) / 010PM257H318801R
HIGHWAY:	CASA GRANDE - TUCSON
SECTION:	Speedway Blvd. – Congress St.
ROUTE NO.:	Interstate Route 10
ENG. DIST:	T
COUNTY:	Pima
RECOMMENDATION:	Establish additional right of way in conjunction with construction project

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RES. NO:	2003-05-A-028
PROJECT:	F-068-1-707 / 068MO000H313801R
HIGHWAY:	DAVIS DAM - KINGMAN
SECTION:	Bullhead City - East
ROUTE NO.:	State Route 68
ENG. DIST:	K
COUNTY:	Mohave
PARCEL:	8-1802
RECOMMENDATION:	Establish and acquire Parcel due to severance of access

STATE ENGINEER'S REPORT

- * Report on construction and projects completed in April, 2003.
- * Right of Way Acquisition Report for April, 2003.

CONSTRUCTION CONTRACTS

Interstate, Non-Federal Aid

* BIDS OPENED: April 17
HIGHWAY: EHRENBURG-PHOENIX HIGHWAY
HIGHWAY: PHOENIX-CORDES JUNCTION HIGHWAY
SECTION: I-10, 51st Avenue – 75th Avenue
SECTION: Maricopa TI (I-10/I-17) by Airport
COUNTY: Maricopa
ROUTE NO: I-10, I-17
PROJECT: I-010-B-504 010 MA 136 H566201C
PROJECT: I-017-A-501 017 MA 193 H612501C
FUNDING: 100% State
LOW BIDDER: J. Banicki Construction, Inc.
AMOUNT: \$ 253,411.00
STATE ESTIMATE: \$ 232,050.00
\$ OVER: \$ 21,361.00
% OVER: 9.2%
NO. BIDDERS: 6
RECOMMENDATION: AWARD

BIDS OPENED: April 24
HIGHWAY: PHOENIX-CORDES JUNCTION HIGHWAY (I-17)
SECTION: Jefferson Street UP (Str. #554)
COUNTY: Maricopa
ROUTE NO: I-17
PROJECT: I-017-A-508 017 MA 199 H626101C
FUNDING: 100% State
LOW BIDDER: The Truesdell Corporation
AMOUNT: \$ 24,808.00
STATE ESTIMATE: \$ 29,592.80
\$ UNDER: \$ 4,784.80
% UNDER: 16.2%
NO. BIDDERS: 2
RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Lane, seconded by Mr. Hileman and passed unanimously.

* BIDS OPENED: April 17

HIGHWAY:	KINGMAN-ASH FORK HIGHWAY (I-40)	
SECTION:	Frees Wash Bridge	
COUNTY:	Mohave	
ROUTE NO:	I-40	
PROJECT:	I-040-B-503 040 MO 059 H599001C	
FUNDING:	100% State	
LOW BIDDER:	Bison Contracting Co., Inc.	
AMOUNT:	\$	537,881.50
STATE ESTIMATE:	\$	496,058.50
\$ OVER:	\$	41,823.00
% OVER:		8.4%
NO. BIDDERS:		8
RECOMMENDATION:	AWARD	

(Interstate Federal-Aid ("B" projects do not need FHWA concurrence, but must comply with DBE regulations; other projects are subject to FHWA and/or local government concurrence and compliance with DBE regulations)

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BIDS OPENED:	April 24	
HIGHWAY:	ASH FORK – FLAGSTAFF HIGHWAY (I-40)	
SECTION:	Williams – Ash Fork, EB	
SECTION:	Welch Overpass – Devil Dog	
COUNTY:	Coconino	
ROUTE NO:	I-40	
PROJECT:	IM-040-3(088)B 040 CN 153 H434501C	
PROJECT:	IM-040-C(004)B 040 CN 152 H524501C	
FUNDING:	94% Federal 6% State	
LOW BIDDER:	Fann Contracting, Inc.	
AMOUNT:	\$	6,580,389.95
STATE ESTIMATE:	\$	7,551,091.00
\$ UNDER:	\$	970,701.05
% UNDER:		12.9%
NO. BIDDERS:		6
RECOMMENDATION:	AWARD	

(Non-Interstate Federal-Aid (“A” “B” projects do not need FHWA concurrence, but must comply with DBE regulations; other projects are subject to FHWA and/or local government concurrence and compliance with DBE regulations)

* BIDS OPENED: April 17
HIGHWAY: ORACLE JUNCTION-FLORENCE HIGHWAY (SR 79)
HIGHWAY: FLORENCE BUSINESS ROUTE (SR 79B)
SECTION: Cactus Forest Road – Florence
SECTION: Florence Streets
COUNTY: Pinal
ROUTE NO: SR 79, SR 79B
PROJECT: STP-079-A(003)A 079 PN 128 H556001C
FUNDING: 94% Federal 6% State
PROJECT: S-B79-A-500 079B PN 132 H581501C
FUNDING: 100% State
LOW BIDDER: Meadow Valley Contractors, Inc.
AMOUNT: \$ 1,769,028.00
STATE ESTIMATE: \$ 2,073,728.00
\$ UNDER: \$ 304,700.00
% UNDER: 14.7%
NO. BIDDERS: 7
RECOMMENDATION: AWARD

* BIDS OPENED: April 24
HIGHWAY: I-10/SR LOOP 202 SYSTEM
SECTION: Santan, I-10 / Maricopa Road T.I.
COUNTY: Maricopa
ROUTE NO: SR 202L
PROJECT: STP-202-C(006)B 202 MA 054 H541701C
FUNDING: 93% Federal 6% State
1% Gila River Indian Community
LOW BIDDER: Pulice Construction, Inc.
AMOUNT: \$ 11,864,628.17
STATE ESTIMATE: \$ 13,227,448.20
\$ UNDER: \$ 1,362,820.03
% UNDER: 10.3%
NO. BIDDERS: 7
RECOMMENDATION: AWARD

* BIDS OPENED: April 24
HIGHWAY: PAYSON-SHOW LOW HIGHWAY (SR 260)
SECTION: Kohl’s Ranch Section
COUNTY: Gila
ROUTE NO: SR 260

PROJECT:	NH-053-2(035)B 260 GI 266 H447301C	
FUNDING:	94 % Federal 6% State	
LOW BIDDER:	Edward Kraemer & Sons, Inc.	
AMOUNT:	\$	22,785,440.72
STATE ESTIMATE:	\$	22,900,000.00
\$ UNDER:	\$	114,559.28
% UNDER:		0.5%
NO. BIDDERS:		7
RECOMMENDATION: AWARD		

Non-Interstate, Non-Federal Aid

*	BIDS OPENED:	April 24
	HIGHWAY:	CORDES JUNCTION-PRESCOTT HIGHWAY
	SECTION:	SR 69 @ Walker Road, Milepost 292.6-293.3
	COUNTY:	Yavapai
	ROUTE NO:	SR 69
	PROJECT:	S-069-A-510 069 YV 292 H586501C
	FUNDING:	50% State 50% City of Prescott
	LOW BIDDER:	Fann Contracting, Inc.
	AMOUNT:	\$ 582,319.80
	STATE ESTIMATE:	\$ 572,398.00
	\$ OVER:	\$ 9,921.80
	% OVER:	1.7%
	NO. BIDDERS:	4
	RECOMMENDATION: AWARD	

* BIDS OPENED: April 24
HIGHWAY: PRESCOTT-FLAGSTAFF HIGHWAY
SECTION: Cottonwood-Cornville Road
COUNTY: Yavapai
ROUTE NO: SR 89A
PROJECT: S-366-552 089A YV 355 H274106C
FUNDING: 100% State
LOW BIDDER: Klondyke, Inc.
AMOUNT: \$ 69,927.00
STATE ESTIMATE: \$ 65,924.00
\$ OVER: \$ 4,003.00
% OVER: 6.1%
NO. BIDDERS: 5
RECOMMENDATION: AWARD

* BIDS OPENED: April 17
HIGHWAY: SAN LUIS-YUMA-QUARTZSITE HIGHWAY (US 95)
SECTION: US 95 @ La Paz Valley Road
COUNTY: La Paz
ROUTE NO: US 95
PROJECT: U-095-B-507 095 LA 098 H601301C
FUNDING: 100% State
LOW BIDDER: Bison Contracting Co., Inc.
AMOUNT: \$ 202,775.05
STATE ESTIMATE: \$ 195,025.00
\$ OVER: \$ 7,750.05
% OVER: 4.0%
NO. BIDDERS: 8
RECOMMENDATION: AWARD

* BIDS OPENED: April 17
HIGHWAY: SAN LUIS-YUMA-QUARTZSITE HIGHWAY
(US 95)
SECTION: Aberdeen Road & YPG Entrance
COUNTY: Yuma
ROUTE NO: US 95
PROJECT: U-095-B-506 095 YU 044 H601701C
FUNDING: 100% State
LOW BIDDER: Tanner Companies (Yuma) Inc.
AMOUNT: \$ 268,478.60
STATE ESTIMATE: \$ 251,607.25
\$ OVER: \$ 16,871.35
% OVER: 6.7%
NO. BIDDERS: 4
RECOMMENDATION: AWARD

* BIDS OPENED: April 24
HIGHWAY: AGUA FRIA FREEWAY (101L)
SECTION: 75th Avenue – 51st Avenue, Westbound
COUNTY: Maricopa
ROUTE NO: 101L
PROJECT: S-101-A-508 101L MA 017 H603502C
FUNDING: 100% State
LOW BIDDER: C.S. & W. Contractors, Inc.
AMOUNT: \$ 831,743.88
STATE ESTIMATE: \$ 787,885.50
\$ OVER: \$ 43,858.38
% OVER: 5.6%
NO. BIDDERS: 7
RECOMMENDATION: AWARD

BIDS OPENED: April 24
HIGHWAY: TUBA CITY-FOUR CORNERS HIGHWAY (US 160)
SECTION: Chinle Wash Bridge Str #746
COUNTY: Apache
ROUTE NO: US 160
PROJECT: U-160-B-500 160 AP 429 H601101C
FUNDING: 100% State
LOW BIDDER: Standard Construction Company, Inc.

AMOUNT:	\$	126,236.25
STATE ESTIMATE:	\$	103,299.00
\$ OVER:	\$	22,937.25
% OVER:		22.2%
NO. BIDDERS:		6
RECOMMENDATION: AWARD		

Board Action: A motion to approve the above recommendation was made by Mr. Jeffers, seconded by Mr. Hileman and passed unanimously.

BIDS OPENED:	April 24	
HIGHWAY:	SANTAN FREEWAY (SR 202L)	
SECTION:	Ray Road /Union Pacific Railroad Underpasses	
COUNTY:	Maricopa	
ROUTE NO:	202L	
PROJECT:	RAM-202-C-510 202L MA 039 H633801C	
FUNDING:	100% State	
LOW BIDDER:	T & T Construction, Inc.	
AMOUNT:	\$	1,775,594.00
STATE ESTIMATE:	\$	2,104,513.00
\$ UNDER:	\$	328,919.00
% UNDER:		15.6%
NO. BIDDERS:		6
RECOMMENDATION: AWARD		

Board Action: A motion to approve the above recommendation was made by Mr. Lane, seconded by Mr. Gant and passed unanimously.

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BIDS OPENED:	April 24	
HIGHWAY:	HEBER-SNOWFLAKE HIGHWAY (SR 277)	
SECTION:	SR 277 @ Freeman Hollow Road	
COUNTY:	Navajo	
ROUTE NO:	SR 277	
PROJECT:	S-277-A-500 277 NA 332 H529701C	

FUNDING:	100% State
LOW BIDDER:	Combs Construction Company, Inc.
AMOUNT:	\$ 376,115.00
STATE ESTIMATE:	\$ 440,037.90
\$ UNDER:	\$ 63,922.90
% UNDER:	14.5%
NO. BIDDERS:	7
RECOMMENDATION:	AWARD

CONSENT AGENDA

Board Action: A motion to approve the Consent Agenda was made by Mr. Jeffers, seconded by Mr. Hileman and passed unanimously.

ADJOURN

Board Action: A motion to adjourn was made by Mr. Gant, seconded by Mr. Jeffers and passed unanimously.

The meeting adjourned at 11:40 a.m.

Ingo Radicke, Chairman
State Transportation Board

Victor Mendez, Director
Arizona Department of Transportation

*Denotes items approved in the consent agenda.